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February 11, 1998

HAND DELIVERY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW
Room 222
Washington, DC 20554

Re: Ex Parte Presentation
WT Dkt. No. 97-82

Dear Ms. Salas:

This letter is to notify you that Douglas Smith and I met yesterday with Ari Fitzgerald, Legal Advisor to Chairman Kennard. During the meeting, Omnipoint presented its position on the C Block debt restructuring reconsideration proceeding, focusing on the attached materials.

An original and one copy of this letter is transmitted herewith for inclusion in the above-referenced docket. Any questions regarding this matter may be directed to the undersigned counsel.

Sincerely,

Teresa S. Werner

Teresa S. Werner

Enclosures

cc: Ari Fitzgerald, Legal Advisor, Office of Chairman Kennard

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- The “Prepay” Option is Actually a “Banking of Deposits” Option that Discriminates Against All Bidders But One.
- Only NextWave Can Use This “Banking of Deposits” Option.
- Out of the 89 C-Block Licensees, Only NextWave Has Enough Deposits Across Multiple MTAs to Buy Out the Spectrum in Major Markets.
- Mathematically, Only 8 Other Licensees Out of the 89 Could Even Theoretically Use the “Banking of the Deposits” Aspect of the “Prepay” Option.
 BUT NONE OF THESE 8 BIDDERS WILL USE THIS OPTION,
 BECAUSE THEY WOULD HAVE TO GIVE UP ALL THEIR PRIMARY
 MARKETS TO BUY ONE, SMALL, BTA.
- Unlike Amnesty and Disaggregation, Which Return Either All 30Mhz or 15Mhz in Every Market, the “Banking of Deposits” Option Means NextWave Alone Chooses Which Markets Never Have Any Spectrum Returned for Re-Auction.
- The Fate of GSM as a National Standard Will Be Controlled By the One Company – NextWave – That is Financed By the Primary Backers of CDMA.

EVEN THE 8 OTHER BIDDERS WHO CAN USE "PREPAY" WILL NOT

CASE 1

		Net Bid	POPS	Deposit Credit Available for Prepay				Net Bid	POPS	Wasted Deposit Dollars
Chase Telecom. Total		\$175,090,520	6,524,460	\$12,256,336						
CHASE WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS					IN ORDER TO BUY ONE BTA:					
Atlanta	Chattanooga	\$15,966,000	547,227	\$1,117,620	Birmingham	Florence AL	\$2,997,149	183,342	\$	(9,349,102)
	Knoxville, Kingsport,									
Knoxville	Middlesboro	\$34,071,678	1,874,924	\$2,385,017						
	Memphis, Jackson,									
Memphis-Jackson	Dyersburgh	\$56,448,417	1,883,830	\$3,951,389						
	Nashville, Clarksville,									
Nashville	Cookeville.	\$65,607,276	2,035,137	\$4,592,509						
Subtotal		\$172,093,371	6,341,118	\$12,046,536	Subtotal		\$2,997,149	183,342	\$	(9,349,102)

NOTE: Chase has publicly stated that it plans to use the FCC's Disaggregation Option.

EVEN THE 8 OTHER BIDDERS WHO CAN USE "PREPAY" WILL NOT CASE 2

		Net Bid	POPS	Deposit Credit Available for Prepay			Net Bid	POPS	Wasted Deposit Dollars
Americall International Total		\$32,365,628	2,151,587	\$2,265,594					
AMERICALL WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS					IN ORDER TO BUY ONE BTA:				
Pittsburgh	Wheeling, Steubenville	\$3,246,000	354,807	\$227,220	Cleveland	East Liverpool	\$585,038	112,955	\$ (1,698,108)
Alaska	Anchorage, Fairbanks	\$5,484,750	565,615	\$383,933					
Portland	Medford, Roseburg	\$5,943,750	353,179	\$416,063					
San Antonio	Corpus Christi, Laredo	\$17,106,091	765,031	\$1,197,426					
Subtotal		\$31,780,591	2,038,632	\$2,224,641	Subtotal		\$585,038	112,955	\$ (1,698,108)

NOTE: As with Chase, Americall has publicly stated that it plans to use the FCC's Disaggregation Option.

EVEN THE 8 OTHER BIDDERS WHO CAN USE "PREPAY" WILL NOT

CASE 3

		Net Bid	POPS	Deposit Credit Available for Prepay			Net Bid	POPS	Wasted Deposit Dollars
Savannah Independent PCS C		\$13,644,001	679,578	\$955,080					
SAVANNAH WOULD HAVE TO TURN IN ITS PRIMARY MARKET					IN ORDER TO BUY ONE BTA:				
Atlanta	Augusta	\$13,067,250	569,584	\$914,708	Jacksonville	Waycross	\$576,751	109,994	\$ (395,632)
Subtotal		\$13,067,250	569,584	\$914,708	Subtotal		\$576,751	109,994	\$ (395,632)

EVEN THE 8 OTHER BIDDERS WHO CAN USE "PREPAY" WILL NOT

CASE 4

		Net Bid	POPS	Deposit Credit Available for Prepay			Net Bid	POPS	Wasted Deposit Dollars
Kansas Personal Communicat		\$9,698,251	429,507	\$678,878					
KANSAS PERSONAL WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS					IN ORDER TO BUY ONE BTA:				
Kansas City	Topeka, Emporia	\$9,257,251	304,010	\$648,008	Wichita	Hutchinson	\$441,000	125,497	\$ (251,108)
Subtotal		\$9,257,251	304,010	\$648,008	Subtotal		\$441,000	125,497	\$ (251,108)

EVEN THE 8 OTHER BIDDERS WHO CAN USE "PREPAY" WILL NOT

CASE 5

				Deposit Credit Available for Prepay						Wasted Deposit Dollars
		Net Bid	POPS			Net Bid	POPS			
ROBERTS-ROBERTS & ASSO		\$7,669,500	784,648	\$536,865						
ROBERTS-ROBERTS WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS					IN ORDER TO BUY ONE BTA:					
St. Louis	Cape Girardeau, Quincy, Jeff. City, Rolla, and West Plains									
		\$7,224,000	695,274	\$505,680	Kansas City	Sedalia	\$445,500	89,374	\$	(104,730)
Subtotal		\$7,224,000	695,274	\$505,680	Subtotal		\$445,500	89,374	\$	(104,730)

EVEN THE 8 OTHER BIDDERS WHO CAN USE "PREPAY" WILL NOT

CASE 6

		Net Bid	POPS	Deposit Credit Available for Prepay			Net Bid	POPS	Wasted Deposit Dollars
Northern Michigan PCS Consort		\$4,612,481	371,697	\$322,874					
N, MICHIGAN WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS					IN ORDER TO BUY ONE BTA:				
Detroit	Alpena, Sault Ste. Marie, MI	\$1,404,750	120,019	\$98,333	Minneapolis- Ironwood, MI	\$198,356	33,156	\$	(130,468)
Milwaukee	Marquette, Escanaba, Houghton, and Iron Mountain	\$3,009,375	218,522	\$210,656					
Subtotal		\$4,414,125	338,541	\$308,989	Subtotal	\$198,356	33,156	\$	(130,468)

EVEN THE 8 OTHER BIDDERS WHO CAN USE "PREPAY" WILL NOT

CASE 7

THE GABELLI GROUP

	Net Bid	POPS	Deposit Credit Available for Prepay		Net Bid	POPS	Wasted Deposit Dollars
7A. Southeast Wireless Total	\$41,261,255	1,703,700	\$2,888,288				
SOUTHEAST WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS				IN ORDER TO BUY ONE BTA:			
Richmond-Norfo Danville, Lynchburg	\$12,678,755	329,944	\$887,513	Atlanta Rome , Dalto	\$2,805,000	232,674	\$ (167,438)
Tallahase, and							
Jacksonville Panama City	\$25,777,501	1,141,082	\$1,804,425				
Subtotal	\$38,456,255	1,471,026	\$2,691,938	Subtotal	\$2,805,000	232,674	\$ (167,438)

	Net Bid	POPS	Deposit Credit Available for Prepay		Net Bid	POPS	Wasted Deposit Dollars
7B High Country TOTAL	\$13,772,250	1,053,330	\$964,058				
HIGH COUNTRY WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS				IN ORDER TO BUY ONE BTA:			
Denver Casper, Cheyenne	\$5,216,250	258,572	\$365,138	El Paso-Albu Carlsbad	\$521,250	316,613	\$ (458,445)
Salt Lake City Idaho Falls, Twin							
Falls, Pocatello	\$8,034,750	478,145	\$562,433				
Subtotal	\$13,251,000	736,717	\$927,570	Subtotal	\$521,250	316,613	\$ (458,445)

EVEN THE 8 OTHER BIDDERS WHO CAN USE "PREPAY" WILL NOT

	Net Bid	POPS	Deposit Credit Available for Prepay		Net Bid	POPS	Wasted Deposit Dollars
7C Fortunet Wireless; TOTAL	\$61,531,500	3,198,912	\$4,307,205				
FORTUNET WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS				IN ORDER TO BUY ONE BTA:			
New York Hartford	\$51,321,750	1,108,582	\$3,592,523	Milwaukee Marinette	\$1,604,250	67,430	\$ (2,751,083)
Minneapolis-St. P Mankato, Rochester	\$8,605,500	490,874	\$602,385				
Subtotal	\$59,927,250	1,599,456	\$4,194,908	Subtotal	\$1,604,250	67,430	\$ (2,751,083)

	Net Bid	POPS	Deposit Credit Available for Prepay		Net Bid	POPS	Wasted Deposit Dollars
7D Gabelli-Aer Force Total	\$87,336,004	2,975,991	\$6,113,520				
AER FORCE WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS				IN ORDER TO BUY TWO BTAs:			
Dallas-Ft. Worth Waco	\$5,889,750	291,426	\$412,283	Portland Bend	\$1,666,500	136,025	
Washington-Balti Salisbury, Cumberland, Fredicksburg	\$13,517,254	471,562	\$946,208	Wichita Salina, KS	\$1,200,750	144,827	\$ (1,973,798)
Tampa-St. Peters Daytona, Ocala	\$24,115,500	710,926	\$1,688,085				
Des Moines- Qua Des Moines, Davenport, Dubuque, Iowa City	\$40,946,250	1,502,077	\$2,866,238				
Subtotal	\$84,468,754	2,213,003	\$4,554,323	Subtotal	\$2,867,250	280,852	\$ (1,973,798)

EVEN THE 8 OTHER BIDDERS WHO CAN USE "PREPAY" WILL NOT

CASE 8

				Deposit Credit Available for Prepay			Wasted Deposit Dollars
CLEARCOM TOTAL	Net Bid	POPS			Net Bid	POPS	
	\$344,293,125	9,618,136		\$24,100,519			
CLEARCOM WOULD HAVE TO TURN IN ALL ITS PRIMARY MARKETS				IN ORDER TO BUY ONE BTA			
San Francisco-							
Oakland-San Jose	Fresno, Reno, Modesto,						
	Visalie, Redding,						
	Merced, Eureka	\$105,735,525	3,091,444	\$7,401,487	Spokane-Billi Lewiston	\$537,075	125,919.00 \$ (23,579,556)
Puerto Rico-U.S.	San Juan, Mayaguez	\$114,087,900	3,262,534	\$7,986,153			
Salt Lake City	Salt Lake, Boise, Provo,						
	Logan	\$96,991,050	2,490,982	\$6,789,374			
Los Angeles-San	Bakersfield	\$26,941,575	647,257	\$1,885,910			
Subtotal	\$343,756,050	9,492,217	\$24,062,924	Subtotal	\$26,941,575	\$647,257	\$ (23,579,556)

NOTE: Clearcom has publicly stated that it plans to use the FCC's Disaggregation Option.

Interest Costs Under Disaggregation

Original C Block Structure							Disaggregation	
BTA Market	1997 pops	Net Bid	\$/Pop	Deposit	Debt	Annual Interest Expense	Ongoing Quarterly Interest Expense	Ongoing Annual Interest Expense
Clearcom								
M002 - Los Angeles	647,257	26,941,575	41.62	2,694,158	24,247,418	1,576,082	197,010	788,041
M004 - San Francisco	3,091,444	105,735,525	34.20	10,573,553	95,161,973	6,185,528	773,191	3,092,764
M025 - Puerto Rico	3,770,362	114,087,900	30.26	11,408,790	102,679,110	6,674,142	834,268	3,337,071
M036 - Salt Lake City	2,490,982	96,991,050	38.94	9,699,105	87,291,945	5,673,976	709,247	2,836,988
M042 - Spokane	125,919	537,075	4.27	53,708	483,368	31,419	3,927	15,709
Clearcom Total	10,125,964	344,293,125	34.00	34,429,313	309,863,813	20,141,148	2,517,643	10,070,574
Chase Telecommunications								
M011 - Atlanta	547,227	15,966,000	29.18	1,596,600	14,369,400	934,011	116,751	467,006
M028 - Memphis	1,883,830	56,448,417	29.96	5,644,842	50,803,575	3,302,232	412,779	1,651,116
M029 - Birmingham	183,342	2,997,149	16.35	299,715	2,697,434	175,333	21,917	87,667
M043 - Nashville	2,035,137	65,607,276	32.24	6,560,728	59,046,548	3,838,026	479,753	1,919,013
M044 - Knoxville	1,874,924	34,071,678	18.17	3,407,168	30,664,510	1,993,193	249,149	996,597
Chase Telecom Total	6,524,460	175,090,520	26.84	17,509,052	157,581,468	10,242,795	1,280,349	5,121,398
Urban Communicators PCS								
M006 - Charlotte	3,445,803	74,622,750	21.66	7,462,275	67,160,475	4,365,431	545,679	2,182,715
Urban Communicators PCS	3,445,803	74,622,750	21.66	7,462,275	67,160,475	4,365,431	545,679	2,182,715
Alpine PCS								
M002 - Los Angeles	628,147	29,091,750	46.31	2,909,175	26,182,575	1,701,867	212,733	850,934
M008 - Boston	227,963	9,000,000	39.48	900,000	8,100,000	526,500	65,813	263,250
Alpine PCS Total	856,110	38,091,750	44.49	3,809,175	34,282,575	2,228,367	278,546	1,114,184
Americall International								
M016 - Cleveland	112,955	585,038	5.18	58,504	526,534	34,225	4,278	17,112
M021 - Pittsburgh	354,807	3,246,000	9.15	324,600	2,921,400	189,891	23,736	94,946
M030 - Portland	353,179	5,943,750	16.83	594,375	5,349,375	347,709	43,464	173,855
M033 - San Antonio	765,031	17,106,091	22.36	1,710,609	15,395,482	1,000,706	125,088	500,353
M049 - Alaska	565,615	5,484,750	9.70	548,475	4,936,275	320,858	40,107	160,429
Americall Int'l Total	2,151,587	32,365,628	15.04	3,236,563	29,129,065	1,893,389	236,674	946,695